



Control Number: 49379



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**DOCKET NO. 49379**

**APPLICATION OF NERRO SUPPLY §  
INVESTORS, LLC AND UNDINE §  
TEXAS, LLC FOR SALE, TRANSFER, §  
OR MERGER OF FACILITIES AND §  
CERTIFICATE RIGHTS IN HARRIS §  
AND MONTGOMERY COUNTIES §**

**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO UNDINE TEXAS, LLC,  
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-4**

Pursuant to 16 Texas Administrative Code (TAC) § 22.144 of the Commission's Procedural Rules, the Staff of the Public Utility Commission of Texas (Staff) requests that Undine Texas, LLC, by and through its attorneys of record, provide the following information and answer the following questions under oath. The questions shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 20 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

Provide an original and three copies of your answers to the questions to the Filing Clerk, Public Utility Commission of Texas, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326.

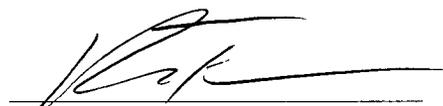
Dated: August 19, 2019

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

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Managing Attorney



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**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on August 19, 2019, in accordance with 16 TAC § 22.74.



Rustin Tawater

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**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO UNDINE TEXAS, LLC,  
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-4**

**DEFINITIONS**

- 1) "Undine," or "you" refers to Undine Texas, LLC, and any person acting or purporting to act on its behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.
  
- 2) "Document" includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to correspondence, telegrams, contracts, agreements, notes in any form, memoranda, diaries, voice recording tapes, microfilms, pictures, computer media, work papers, calendars, minutes of meetings or other writings or graphic matter, including copies containing marginal notes or variations of any of the foregoing, now or previously in your possession. In the event any documents requested by this Request for Information have been transferred beyond Undine's control, describe the circumstances under which the document was destroyed or transferred and provide an exact citation to the subject document. In the event that documents containing the exact information do not exist, but documents do exist which contain portions of the required information or which contain substantially similar information, then the definition of "documents" shall include the documents which do exist and these documents will be provided.

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**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO UNDINE TEXAS, LLC,  
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-4**

**INSTRUCTIONS**

- 1) Pursuant to 16 TAC § 22.144(c)(2), Staff requests that answers to the requests for information be made under oath.
- 2) Please copy the question immediately above the answer to each question. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.
- 3) These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer.
- 4) Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.
- 5) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- 6) If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.
- 7) Pursuant to 16 TAC § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- 8) Staff requests that each item of information be made available as it is completed, rather than upon completion of all information requested.

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**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO UNDINE TEXAS, LLC,  
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- Staff 1-1** Please reference confidential filing, Attachment H to the application, specifically the documents titled, "Historical Income Statement" and "Projected Income Statement." Based on the documents showing an increase in meter fees, please respond to the following:
- a. Does Undine plan to file a rate case in order to increase meter fees?
  - b. If Undine does not plan to file a rate case to increase the meter fees, please explain how Undine will realize the projected increase in such fees.
- Staff 1-2** Please reference confidential filing, Attachment H to the application, at Question 14. Based on the information Undine provided, please respond to the following:
- a. Will the public water system require any improvements?
  - b. If the public water system does not require improvements, explain how Undine will utilize any identified cash and notes payable beyond the current transaction's purchase price.
- Staff 1-3** Please reference confidential filing, Attachment H to the application, specifically the documents titled, "Historical Balance Sheet" and "Projected Balance Sheet." Also refer to confidential filing Attachment B to the application, specifically the document titled, "Balance Sheet." Reconcile the following accounts between the "Historical Balance Sheet," "2018 Balance Sheet," and "Projected Balance Sheet":
- a. Current Assets – Cash;
  - b. Current Assets – Other;
  - c. Fixed Assets – Other;
  - d. Current Liabilities – Accounts Payable;
  - e. Current Liabilities – Notes Payable; and
  - f. Current Liabilities – Other.
- Staff 1-4** Please provide Undine's financial statements for the year ending December 31, 2018.